GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1166
ANSWERED ON:05.03.2013
DECENTRALISATION OF PROCUREMENT
Shetkar Shri Suresh Kumar

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has initiated the process of decentralisation of rice/foodgrain procurement with a view to reduce transport costs, procure quality rice for Public Distribution System and ensure remunerative prices to farmers; and

(b) if so, the details and the outcome thereof along with the benefits accruing therefrom, State-wise?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) Yes, Madam. The Scheme of Decentralised Procurement (DCP) of foodgrains (rice and wheat) was introduced in 1997-98 with a view to enhance the efficiency of procurement and Public Distribution System (PDS) and to encourage local procurement and reduce out go of food subsidy. Under the scheme, the States undertake the responsibility of procurement of foodgrains, its scientific storage and distribution through Targeted Public Distribution System (TPDS). The surplus of foodgrains procured by DCP States, in excess of their TPDS requirement is handed over to FCI for the Central Pool stocks and deficit, if any, is met by FCI.

(b) At present the States of West Bengal, Madhya Pradesh, Chhattisgarh, Uttarakhand, Andaman and Nicobar Islands, Odisha, Tamil Nadu, Karnataka and Kerala are procuring rice under the decentralised procurement scheme. Government of Andhra Pradesh have agreed to adopt the Decentralised Procurement (DCP) Scheme of procurement from KMS 2012-13 onwards for seven districts. The Government of India is actively pursuing this issue with the remaining State Governments to adopt the DCP scheme.

Due to the introduction of decentralized procurement there has been an increase in the procurement of rice in the country benefitting large number of farmers.

(fig.In lakh tons)

Crop year	Rice Procured
2008-09	341.04
2009-10	320.34
2010-11	341.98
2011-12	350.41

2012-13 272.33#

As on 28.02.2013

The contribution by the States following Decentralised procurement towards the total procurement has also increased as given at Annexure-I.